

Fact Sheet
Home Investment Partnerships Program

Fiscal Year 2021

Introduction

The City of Hampton is currently accepting applications for funding from the Home Investment Partnership (HOME) program. The deadline for submitting Fiscal Year 2021 applications is **Friday, March 6, 2020 by 4:30 pm**. Applications should be submitted to:

Hampton Community Development Department
Housing and Neighborhood Services Division
Attn: Arkeisha Whitley
22 Lincoln Street, 5th Floor
Hampton, Virginia 23669

HOME Investment Partnership Program

The HOME Program, created by the National Affordable Housing Act of 1990, provides funds to state and local governments to support affordable housing initiatives. The intent of the HOME Program is to provide funds for the development and rehabilitation of affordable rental and ownership housing to low and moderate-income households, expand the capacity of nonprofit housing providers, strengthen the ability of state and local governments to provide housing, and leverage private sector participation. Activities funded under the HOME program must also be consistent with the priorities and strategies outlined in the City of Hampton's Consolidated Plan for Housing and Community Development. In addition, the HOME program regulations are very specific regarding the types of projects that can be undertaken with these funds as well as the record keeping requirements.

The program is funded by the Department of Housing and Urban Development (HUD). The City received \$519,543 in fiscal year 2020. The amount of funding for fiscal year 2021 has not been determined, but it is expected to be less.

Localities receiving these funds are required to develop a five-year Consolidated Plan for Housing and Community Development. The Plan provides the policy direction for housing and community development in Hampton and identifies housing, homeless, community and economic development needs and resources, while providing a strategic plan to address those needs in accordance with community priorities. Policy guidance for the Consolidated Plan is taken from Hampton's many adopted plans (including the Comprehensive Plan, the Strategic Plan and neighborhood plans) as well as, the Hampton Neighborhood Initiative. In turn, the Consolidated Plan must be consistent with other city plans and initiatives, and is adopted as a part of the City's Comprehensive Plan.

The Consolidated Plan places primary emphasis on improving the condition of housing stock, increasing homeownership and revitalizing low- and moderate-income neighborhoods through:

- Providing decent housing by preserving the affordable housing stock, increasing the availability of affordable housing, reducing discriminatory barriers, increasing the supply of supportive housing for those with special needs and transitioning homeless persons and families into housing;
- Providing a suitable living environment through safer, more viable neighborhoods, greater integration of low and moderate income residents and increasing housing opportunities and reinvestment in deteriorating neighborhoods, and;
- Expanding economic opportunities through job creation paying a self-sufficient wage to low- and

moderate-income persons, homeownership opportunities and development of activities that promote long-term community viability.

If your organization is interested in improving or expanding the City's affordable housing stock, revitalizing a particular neighborhood, including economic development, or providing needed public services, especially in coordination with other housing and/or revitalization activities, a HOME project may be appropriate.

Eligible Activities

While federal legislation and regulations have established rules that all HOME funded activities must meet, the City of Hampton has developed its own HOME funding policies and priorities. The City of Hampton's priorities are identified in the 2015 - 2020 Consolidated Plan for Housing and Community Development. The HOME eligible activities are as follows:

- Homeowner Rehabilitation - Funds may be used to assist owner-occupants with the repair, rehabilitation, or reconstruction of their homes.
- Homebuyer Activities – The City may finance the acquisition and/or rehabilitation or new construction of homes for homebuyers.
- Rental Housing – Affordable rental housing may be acquired and/or rehabilitated, or constructed.
- Tenant-based Rental Assistance (TBRA) – Financial assistance for rent, security deposits and, under certain conditions, utility deposits may be provided to tenants. Assistance for utility deposits may be provided in conjunction with a TBRA security deposit or monthly rental assistance program.

A brief summary of the Consolidated Plan priorities are included below; however, the full document is available at all Hampton Public Libraries and on the web at www.hampton.gov/neighborhoods.

HOME Program Objectives

As required by the federal regulations, the City must assure that all projects funded meet one of the four objectives of the program. Activities that do not meet one of these four objectives cannot be undertaken with HOME funds. Each project must either:

1. Provide decent affordable housing to lower-income households
2. Expand the capacity of nonprofit housing providers
3. Strengthen the ability of state and local governments to provide housing
4. Leverage private-sector participation

Benefit to Low and Moderate Income Persons

For a project to meet the first objective of providing decent housing to b lower-income persons it must either have income eligibility requirements that limit the benefits of that project to low- and moderate-income persons, or the project must be located in an area that is predominantly inhabited by residents who are persons of low- and moderate-income. Under the regulations of the HOME program, facilities that serve the elderly or persons with disabilities are usually considered to benefit low- and moderate-income persons.

2019 HUD Income Limits (Hampton)

Family Size	Extremely Low (30%)	Very Low (50%)	Low-Income (80%)
1	16,700	27,000	44,450
2	19,050	31,750	50,800
3	21,450	35,700	57,150
4	25,750	39,650	63,450
5	30,170	42,850	68,550
6	34,500	46,000	73,650
7	39,010	49,200	78,700
8+	43,430	52,350	83,800

Expand Capacity of Nonprofit Housing Providers

The HOME regulations require that localities receiving HOME funds set-aside a minimum of 15% of the funds for specific activities to be undertaken by a special type of nonprofit called a Community Housing Development Organization (CHDO). A CHDO is defined as a private non-profit, community-based service organization that has obtained or intends to obtain staff with the capacity to develop affordable housing for the community it serves. CHDO's receiving funding must act either as the owner, developer and/or sponsor of an affordable housing project. Applications for CHDO activities are accepted on an ongoing basis. To obtain additional information or to request an application packet to become a CHDO, please contact Aaru Ma'at, Director of Development with the Hampton Redevelopment and Housing Authority at 727-6499.

Strengthening the Ability of State and Local Government to Provide Housing

HOME funds can be used for the rehabilitation, new construction, or acquisition of homes that will be provided to benefit low- to moderate-income individuals. This benefit must be at a percentage of no less than 51% of the project units/households. Program design will be guided mainly by community needs and the local housing market.

Leveraging Private-Sector Participation

Encouraging for-profit and non-profit organizations to sponsor and develop affordable housing.

City of Hampton 2015-2020 Priority Needs

In addition to meeting one of the objectives listed above, eligible activities are required to be consistent with the priorities identified in the City of Hampton's Consolidated Plan for Housing and Community Development. A copy of the City's 2015-2020 Consolidated Plan can be viewed at all Hampton Public Library locations and on the web at www.hampton.gov/neighborhoods. An executive summary of the needs identified in the 2015-2020 Consolidated Plan are as follows:

The housing needs and strategies in Hampton have not changed substantially since the completion of the last Consolidated Plan. An amendment to the City's priorities on the Safe and Clean initiative can be viewed at www.hampton.gov/neighborhoods. Other adjustments that have been made since the completion of the last Consolidated Plan are due to an analysis of census data and lessons learned from the last five

years of implementation.

Priority Housing and Community Development Needs

The City of Hampton is committed to allocating funds that serve the needs of the lowest-income and most disadvantaged residents. Households with incomes less than 80% of the area median income, particularly those with extremely low incomes (less than 30% of area median income), are particular priorities. The City has also identified special needs individuals as among those who face the greatest challenges and who should receive high priority in the expenditure of federal funds, including at-risk youth, low income families, the homeless and persons threatened with homelessness, the elderly, and persons with disabilities. Provision and maintenance of affordable housing, investment in community development activities in lower-income and deteriorating neighborhoods, investment in facilities that serve lower-income populations, and supportive services to maintain independence are the priority needs being addressed.

The City of Hampton's priority needs focus on improving the quality of existing stock for both renters and owners and enhancing the viability of the neighborhoods in which the housing is located as follows:

- *Priority Rehabilitation Needs* – The City of Hampton is built-out, with a limited number of remaining developable parcels. This fact necessitates that the City's housing strategy provide for the thoughtful use or reuse of existing development. Additionally the age, size and condition of existing housing stock increases the importance of renovation and reinvestment as a means to promote healthy neighborhoods and quality housing. There is a great need to rehabilitate or purchase, demolish and redevelop existing older, affordable units. Therefore, the units that are of a size and character that is attractive in the market should be rehabilitated and, if necessary, upgraded to current standards of size and amenities. Units for which rehabilitation would be an inefficient investment of resources should be purchased, demolished and replaced with units of quality and value that exceeds surrounding properties, in order to diversify the housing values in targeted neighborhoods. Low-income elderly households are a particular priority for rehabilitation assistance because their incomes are typically fixed, and job training investments are not a suitable strategy to increase their ability to afford market-rate housing
- *Priority Homeownership Needs* – The City has identified concentrated areas of renter-occupied housing, often comprised of single-family affordable housing stock that was once primarily owner-occupied. This trend, accelerated in recent years by effects of the larger economic downturn that has threatened the abilities for families to maintain ownership, impacts neighborhood stability. The City will create opportunities to make homeownership possible for qualified renters in order to benefit both renters and the stability of neighborhoods in which affordable housing stock is located.
- *Priority Distributing and Diversifying Housing Needs* – In order to maintain and increase the availability of decent, affordable housing, the City must create sustainable economic conditions that will invite investment. Neighborhoods are economically stable when the housing stock as a composite mirrors the average housing values in the region, allowing the area to attract private investment and become less dependent on scarce local government resources. Public investments need to focus on strategies that will encourage the private sector to participate in and sustain neighborhood revitalization. The City has prioritized diversifying the value of the housing stock in order to achieve mixed-income neighborhoods.

Additionally, based on shifting demographics and a growing demand for housing types other than the single-family detached homes that comprise more than half of the current stock, the City recognizes that changes in household composition will have a significant influence on the types of residential units

that are needed to meet current and projected market demand and has placed a high priority on diversifying housing types to meet these new market demands.

- *Priority Upgrading and Expanding Affordable Stock for Rental Housing Needs* – By comparison to other jurisdictions in the Hampton Roads region, the City of Hampton has a large stock of reasonably priced rental housing. Many of these rental units are in outdated substandard structures, often concentrated in blighted areas. The area of greatest priority for rental housing is improving neighborhood viability, and upgrading and improving viable affordable rental projects. Affordable rental housing that is no longer economically viable should be demolished and the site redeveloped in a manner that brings about a mixed-income neighborhood. In all development and redevelopment, the City will strive to deconcentrate affordable and subsidized units while also pursuing homeowner initiatives as a means of stabilizing targeted neighborhoods.
- *Priority in Helping Lower-Income Rental Households Attain Economic Independence* – There is still a housing need among the lowest-income renters of all household types which the City plans to address by providing and facilitating supportive services. These services will include job training with the ultimate goal of helping very-low-income households achieve economic self-sufficiency, in addition to, a local network of other anti-poverty services.

Priority Homeless Needs

The priority needs for the homeless in Hampton are emergency housing, transitional housing and support services to move homeless persons and families safely out of the cycle of homelessness and back into self-sufficiency.

Priority Non-Homeless Special Needs

It is increasingly difficult for the City to fund non-homeless special needs projects due to the limited amount of funding received annually to support housing and community development initiatives and the increasing amount of basic community needs resulting from current economic conditions. The City's current planned activities targeted to special need populations are Section 3 entrepreneurial and employment training for Section 8, public housing residents and hundreds of at-risk-youth who benefit from the City's investment in its neighborhood center programs.

Priority Community Development Needs – The City of Hampton is concerned with stabilizing and revitalizing its LMI neighborhoods. A neighborhood where the housing stock as a composite mirrors the average housing values of the region is economically stable and can attract private-sector investment. This arrangement is a sustainable one in which a neighborhood becomes less dependent on scarce local government resources. Over the next five years, the City of Hampton's non-housing development activities will include the following:

- Providing operational resources and technical assistance for neighborhood center programs,
- Supporting economic development activities in designated low and moderate income areas,
- Conducting neighborhood planned activities in low and moderate income areas, and
- Completing infrastructure improvements where most needed.
- Implementing the Safe and Clean Initiative - The Safe and Clean Campaign is a door-to-door effort to build relationships with the community and to improve safety and the quality of life in Hampton.

Funding Priorities

Priority will be given to projects that:

- Have a high benefit to low- and moderate-income persons;
- Have a detailed plan for permanent funding;

- Require a one-time only infusion of funds;
- Are likely to achieve their objectives and be successful;
- Use other public and private sources to the greatest extent possible;
- Support or coordinate with other community development efforts;
- Are consistent with the Hampton Community Plan and/or adopted master plans;
- Document substantial neighborhood or public support;
- Present a reasonable, sound budget; and,
- Are to be implemented by organizations with a solid track record.
- Implement the Safe and Clean Initiative.

Funding is limited; therefore, these programs cannot be considered as on-going, multi-year funding sources. Applications submitted for funding should be either a one-time expenditure, such as a renovation project, or for a new and needed service. For a new service, the funds should be used to test the effectiveness of the service; permanent funding should come from another source.

General Guidelines

The Hampton Community Development Department's Housing and Neighborhood Services Division makes funding recommendations to City Council regarding the HOME program. City Council, as part of the budget process, will then determine the final selection of projects to be funded with HOME funds. Projects proposed during this application process will be funded in the City's next budget year, starting July 1, 2020. Due to HUD restrictions and clearances that must be obtained, we recommend that any proposed project start after September 1, 2020. Projects are not required to terminate at the end of the City's fiscal year and may be extended for a longer period of time.

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Application Guidelines

1. Please complete a separate application for each project you are proposing. A detailed list of instructions is provided on the following page to assist in filling out both the HOME application. All questions in the application must be answered in a concise manner. If a question is not applicable to your project, do not leave it blank. Mark it as not applicable (N/A).
2. Applicants must complete all sections of the application.
3. To be eligible for funding as a non-profit, applicants must be incorporated as a non-profit under state law. Eligible non-profits must submit a copy of their most recent State Corporation Commission Filing and IRS Form 990, if also a 501 (c)(3) organization. A copy of the organization's bylaws and articles of incorporation must also be attached.
4. One original of each application (including all attachments) must be submitted by **4:30 p.m. on Friday, February 22, 2019** to:

Community Development Department
Housing & Neighborhood Services Division
C/o Arkeisha Whitley
22 Lincoln Street, 5th floor
Hampton, Virginia 23669

NOTE: If you are an individual seeking assistance with rehabilitation to a privately owned residence, please contact Sherri Payton with the Hampton Housing and Redevelopment Authority at 757-727-1521 ext. 303.

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Application Instructions

Section I – Agency Information: Enter the information as it relates to the organization requesting funding. Please include both the Employer Federal I.D. Number and the agency’s D-U-N-S Number. If you do not have a D-U-N-S Number available, please visit <http://fedgov.dnb.com/webform>.

Section II – Project Information: Enter the name and location of the project. A map of the City of Hampton Census tracts portraying low-moderate income areas as designated by the 2009 HUD LMI estimates can be found in the 2015-2020 Consolidated Plan for Housing & Community Development which can be viewed at all Hampton public libraries, the Community Development Department – 5th floor of City Hall, or at www.hampton.gov/neighborhoods.

Section III – Project Funding: Enter the amount of funds being requested and all other sources of funding being leveraged for this specific program including any local, state, or private sources. Identify any program income to be generated during the program year.

Section IV – HOME Project Type: This section should only be used by applicants applying for funding under the HOME Program. Select the appropriate activity category as defined below:

Project Type: Select the appropriate box(s) that includes: Acquisition Only, Rehabilitation Only, Acquisition & Rehabilitation, New Construction, Homebuyer Assistance or Other activities.

Population to be served: Select the appropriate box(s) that includes: Homeless, Low- Moderate Income Households, Elderly, Special Needs and Other population to be served.

Project Location: Select the appropriate box(s) that includes: Listed in National Register of Historic Places, Listed in a Local Register of Historic Places, Within a Federal Historic District, In a Qualified Census Tract, In a difficult area to develop, Is the property in a flood zone, Is the property in the process of rezoning, or Is the property zoned for intended use.

Section V – Required Documents Checklist: This section identifies the additional required documentation. Select the appropriate response for each document listed.

Section VI – Agency Narrative and Project Description: This section is designed to provide a summary of the applicant’s ability to successfully undertake the proposed project and a complete description of the project to be undertaken.

Section VII.A. – FY 2021 HOME Program Budget

This section is designed to provide a complete description of associated costs, and resources available for program/project implementation.

Provided below is a brief example of acceptable charges under each category.

HOME Program Description

Personnel - Costs related to salaries and fringe benefits for program staff and leveraged dollar amounts that will be used towards the HOME program.

General & Administrative Expenses - Includes, but is not limited to Management fee, Repairs and maintenance, utilities, insurance, property tax, other. (Keep in mind that these are examples of line items).

Debt Servicing - Includes, but is not limited to, first deed of Trust, second deed of trust, third deed of trust, other.

Section VII.B. – FY 2021 HOME Program Budget Description.

After the budget form, provide personnel involvement, calculate costs per household served and a leveraged funds description budget explanation for use of program funds in the designated area.

1. Personnel Involvement for HOME Programs: Provide personnel titles with status, time devoted to the program, if the position is new or exiting, and a brief summary of the program responsibilities.
2. Calculate total costs per household and individuals: Take the total of program costs provided your program budget divided by the number of households and individuals to be served.
3. Leveraged funds and/or matching funds description: Provide a description of matching funds that will be utilized for the HOME Program. (Under the HOME program, 25% match is required by the City of Hampton).
4. Cost Reasonableness: Provide a narrative justifying the reasonableness of the application requested amount.

Section VIII – for HOME Results of Prior Year Projects. Each applicant has an individual page to report, if applicable. If applicant received prior year funds, please provide a description for prior year funded programs with the following:

Check the appropriate funding year and funding source. Indicate the outcomes achieved and explain if any outcomes were not achieved with the funds awarded.

Each project funded should include a new results sheet.

Section IX – Applicant Sustainability.

Provide a description of agency's sustainability plans.

Section X – Statement of Applicant: This statement outlines key conditions relative to the submission of the application. It must be signed by a person with appropriate authority and attached to the application.